



# North Central Idaho News

CLEARWATER, IDAHO, LATAH, LEWIS & NEZ PERCE COUNTIES

## ECONOMIC TRENDS

The Lewiston Metropolitan Statistical Area's seasonally adjusted unemployment rate in February remained at January's rate of 3.3 percent as shown in North Central Idaho Table 1. In February 2005 the rate was 5.1 percent. Year-over-year there was a decrease of only 30 jobs.

## SPECIAL TOPIC: Housing Costs

Since 2002, the average price of a home has risen by 55 percent in Moscow to \$198,790. Some of the increase is attributed to the lack of available housing in the city. The rising prices have buyers branching out to Troy, Genesee and Potlatch in search of more affordable homes. In Lewiston, the average price for a home has climbed 29 percent to \$142,953. Asked who is acquiring homes in north central Idaho, realtors say "baby boomers, second-home buyers and retirees." According to real estate agents, some baby boomers are moving to the region in preparation for retirement. They spend a few years telecommuting to their former jobs two or three days a week before leaving the work force entirely. A domino effect moves prices higher as California residents snap up real estate in western Washington and northern Idaho that is cheap compared with prices in their markets, says Glenn Crellin, director of the Washington Center for Real Estate Research at Washington State University in Pullman. Someone might sell a home for \$600,000 in California, then turn around and buy three homes in Idaho for \$200,000 each. Given the high prices in other markets nationally, it's unlikely that prices in north central Idaho or southeastern Washington will drop. Statistics are backing up the notion that north central Idaho is becoming a retirement area. The population of those who are at or nearing retirement is growing faster in this region than anywhere in the state. Since 2000, the

North Central Idaho Table 1: Lewiston MSA Labor Force & Employment  
Nez Perce County, Idaho and Asotin County, Washington

	Feb 2006*	Jan 2006	Feb 2005	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	29,040	28,690	29,500	1.2	-1.6
Unemployment	960	940	1,500	2.1	-36.0
% of Labor Force Unemployed	3.3	3.3	5.1		
Total Employment	28,080	27,750	28,000	1.2	0.3
<i>Unadjusted</i>					
Civilian Labor Force	29,330	29,000	30,010	1.1	-2.3
Unemployment	1,250	1,270	1,980	-1.6	-36.9
% of Labor Force Unemployed	4.3	4.4	6.6		
Total Employment	28,080	27,730	28,030	1.3	0.2
<b>JOBS BY PLACE OF WORK</b>					
Nonfarm Payroll Jobs** - NAICS	26,560	26,270	26,590	1.1	-0.1
<i>Goods-Producing Industries</i>	4,210	4,230	4,280	-0.5	-1.6
Natural Resources & Mining	210	220	190	-4.5	10.5
Construction	1,120	1,100	1,220	1.8	-8.2
Manufacturing	2,880	2,910	2,870	-1.0	0.3
Wood Product Manufacturing	550	550	530	0.0	3.8
Food Manufacturing	20	20	50	0.0	-60.0
Paper Manufacturing	1,090	1,090	1,130	0.0	-3.5
Other Manufacturing	1,220	1,250	1,160	-2.4	5.2
<i>Service-Providing Industries</i>	22,350	22,040	22,310	1.4	0.2
Trade, Transportation & Utilities	5,360	5,360	5,360	0.0	0.0
Wholesale Trade	660	640	670	3.1	-1.5
Retail Trade	3,400	3,440	3,430	-1.2	-0.9
Utilities	80	80	90	0.0	-11.1
Transportation & Warehousing	1,220	1,200	1,170	1.7	4.3
Information	400	430	420	-7.0	-4.8
Financial Activities	1,830	1,820	1,880	0.5	-2.7
Professional & Business Services	1,560	1,540	1,530	1.3	2.0
Education & Health Services	4,500	4,460	4,460	0.9	0.9
Leisure & Hospitality	2,300	2,290	2,350	0.4	-2.1
Other Services	1,090	1,080	1,110	0.9	-1.8
Government Education	2,430	2,370	2,520	2.5	-3.6
Government Administration	2,200	2,010	1,970	9.5	11.7
Government Tribes	680	680	710	0.0	-4.2

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

number of north central Idaho residents age 55 and older has grown by 14 percent and is anticipated to continue increasing by 3 percent a year. But what's good for investors and retirees doesn't necessarily help wage earners. Pay is not keeping up with housing costs. In Nez Perce County, the average household income rose about 9.5 percent to \$49,224 from 2000 to 2005. In Latah County, wages grew even more slowly between 2000 and 2005, increasing 5.5 percent to \$44,594.

## AREA DEVELOPMENTS

### Clearwater County

- Clearwater Valley Hospital and St. Mary's Hospital in Cottonwood have been awarded \$289,369 to help digitize radiology images so they can be sent over the phone lines and be stored in the patient's electronic medical record. According to health care officials, this new technology will greatly enhance rural health care.

### Idaho and Lewis counties

- The former Idaho County Nursing Home building is undergoing renovation after standing vacant nearly a year. Syringa General Hospital is renovating the space to be a new medical clinic, which will open in June as the hospital adopts a new philosophy. Hospital Administrator Jess Hawley said the changing attitudes of doctors prompted the decision to hire a staff physician for the hospital-based clinic rather than continue relying on working relationships with private doctors in the area. Young doctors, Hawley said, "don't want to be providing a service, practicing medicine and running a business on the side." Many are looking for a position on a hospital staff — a change in strategy for Syringa. In addition, a hospital-based rural clinic is able to receive higher reimbursement rates from Medicare and Medicaid than a private clinic, Hawley said. And the hospital-based clinic will be available to those who are otherwise turned away. This Medicare feature is designed to provide better access in rural areas. It is cheaper to pay a hospital clinic than use the emergency room regularly. The clinic will open with one physician, nurses and support staff. Eventually a nurse practitioner or physician's assistant will be added.

### Latah County

- BioTracking, a business started in 1994, is growing in Moscow. The 1,000-square-foot laboratory tests blood samples to determine if cows are pregnant. BioTracking is an example of technology transfer from the University of Idaho to private markets. A research team at the university was searching for a hormone that signals pregnancy in cows and other cud-chewing animals. While it did not discover the hormone, it did find a protein, Pregnancy-Specific Protein B. They were the first to make the discovery. The university took out a patent on the protein in the lead researcher's name and licensed it to him. His team's findings were published in 1985, and in 1994 he and his wife capitalized on the discovery and started marketing the protein. The market was wide open. No one else had the technology or knowledge to do it. The couple applied for a federal Small Business Innovative Research Program grant and received \$6,000. During 1994, they tested 3,000

animals for private elk ranches, fish and game agencies and universities. In 1995, they got \$30,000 through a small business program grant. But it wasn't until articles about their technique were published in trade and veterinary journals that the company's name shot across the industry. The pregnancy test is fast and saves the cow's owner money. Currently, BioTracking has seven affiliated labs that purchase the test kits, one as far away as Budapest, Hungary.

- The University of Idaho has won an \$8.3 million settlement from lawsuits stemming from University Place. "I am one happy guy today," University President Tim White said. "It allows everybody who is involved in the university and who cares about the university to move on with new trust and pride and confidence." The trouble began in 2002 when the school and its foundation used unauthorized loans from investment accounts to finance pre-development of the University Place project. The project, which was supposed to create a satellite campus in Boise, was to anchor the university's presence in the state capital. The \$136 million project failed after only one building, the Idaho Water Center, was authorized. The project left the foundation more than \$25 million in debt. While the settlement closes one chapter of the University Place saga, the foundation remains involved in a separate civil action against Civic Partners, the developers for the project.

### Nez Perce and Asotin, Wash., counties

- It will be another season of waiting for about 45 laid-off employees of Twin City Foods in Lewiston and the farmers who have grown peas for the company. "Right now our inventories dictate to us that we simply do not have the need to run it," said Mike Weiss, plant manager of the Lewiston division of Twin City Foods. This will be the second consecutive year Twin City Foods has not processed peas in Lewiston. The decision about 2007 will be made this fall at the earliest following the pea harvest, Weiss said. Two sizable harvests of peas in 2003 and 2004 left Twin City Foods with volumes of peas higher than any point in its history. Flat consumer demand for peas has forced Twin City Foods to compensate by growing less. Peas from 2004 remain in the Lewiston cold storage warehouse, where a skeletal staff of five hourly and two management employees work, Weiss said.

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